

Section E

Co-operation

Article 20.50

Co-operation

1. Each Party agrees to co-operate with the other Party with a view to supporting the implementation of the commitments and obligations undertaken under this Chapter. Areas of co-operation include exchanges of information or experience on the following:

- (a) the protection and enforcement of intellectual property rights, including geographical indications; and
- (b) the establishment of arrangements between their respective collecting societies.

2. Pursuant to paragraph 1, each Party agrees to establish and maintain an effective dialogue on intellectual property issues to address topics relevant to the protection and enforcement of intellectual property rights covered by this Chapter, and any other relevant issue.

CHAPTER TWENTY-ONE

Regulatory cooperation

Article 21.1

Scope

This Chapter applies to the development, review and methodological aspects of regulatory measures of the Parties' regulatory authorities that are covered by, among others, the TBT Agreement, the SPS Agreement, the GATT 1994, the GATS, and Chapters Four (Technical Barriers to Trade), Five (Sanitary and Phytosanitary Measures), Nine (Cross-Border Trade in Services), Twenty-Two (Trade and Sustainable Development), Twenty-Three (Trade and Labour) and Twenty-Four (Trade and Environment).

Article 21.2

Principles

1. The Parties reaffirm their rights and obligations with respect to regulatory measures under the TBT Agreement, the SPS Agreement, the GATT 1994 and the GATS.

2. The Parties are committed to ensure high levels of protection for human, animal and plant life or health, and the environment in accordance with the TBT Agreement, the SPS Agreement, the GATT 1994, the GATS, and this Agreement.

3. The Parties recognise the value of regulatory cooperation with their relevant trading partners both bilaterally and multilaterally. The Parties will, whenever practicable and mutually beneficial, approach regulatory cooperation in a way that is open to participation by other international trading partners.

4. Without limiting the ability of each Party to carry out its regulatory, legislative and policy activities, the Parties are committed to further develop regulatory cooperation in light of their mutual interest in order to:

- (a) prevent and eliminate unnecessary barriers to trade and investment;
- (b) enhance the climate for competitiveness and innovation, including by pursuing regulatory compatibility, recognition of equivalence, and convergence; and

- (c) promote transparent, efficient and effective regulatory processes that support public policy objectives and fulfil the mandates of regulatory bodies, including through the promotion of information exchange and enhanced use of best practices.

5. This Chapter replaces the Framework on Regulatory Co-operation and Transparency between the Government of Canada and the European Commission, done at Brussels on 21 December 2004, and governs the activities previously undertaken in the context of that Framework.

6. The Parties may undertake regulatory cooperation activities on a voluntary basis. For greater certainty, a Party is not required to enter into any particular regulatory cooperation activity, and may refuse to cooperate or may withdraw from cooperation. However, if a Party refuses to initiate regulatory cooperation or withdraws from cooperation, it should be prepared to explain the reasons for its decision to the other Party.

Article 21.3

Objectives of regulatory cooperation

The objectives of regulatory cooperation include to:

- (a) contribute to the protection of human life, health or safety, animal or plant life or health and the environment by:
 - (i) leveraging international resources in areas such as research, pre-market review and risk analysis to address important regulatory issues of local, national and international concern; and
 - (ii) contributing to the base of information used by regulatory departments to identify, assess and manage risks;
- (b) build trust, deepen mutual understanding of regulatory governance and obtain from each other the benefit of expertise and perspectives in order to:
 - (i) improve the planning and development of regulatory proposals;
 - (ii) promote transparency and predictability in the development and establishment of regulations;
 - (iii) enhance the efficacy of regulations;
 - (iv) identify alternative instruments;
 - (v) recognise the associated impacts of regulations;
 - (vi) avoid unnecessary regulatory differences; and
 - (vii) improve regulatory implementation and compliance;
- (c) facilitate bilateral trade and investment in a way that:
 - (i) builds on existing cooperative arrangements;
 - (ii) reduces unnecessary differences in regulation; and
 - (iii) identifies new ways of working for cooperation in specific sectors;
- (d) contribute to the improvement of competitiveness and efficiency of industry in a way that:
 - (i) minimises administrative costs whenever possible;
 - (ii) reduces duplicative regulatory requirements and consequential compliance costs whenever possible; and
 - (iii) pursues compatible regulatory approaches including, if possible and appropriate, through:
 - (A) the application of regulatory approaches which are technology-neutral; and
 - (B) the recognition of equivalence or the promotion of convergence.

Article 21.4

Regulatory cooperation activities

The Parties endeavour to fulfil the objectives set out in Article 21.3 by undertaking regulatory cooperation activities that may include:

- (a) engaging in ongoing bilateral discussions on regulatory governance, including to:
 - (i) discuss regulatory reform and its effects on the Parties' relationship;
 - (ii) identify lessons learned;
 - (iii) explore, if appropriate, alternative approaches to regulation; and
 - (iv) exchange experiences with regulatory tools and instruments, including regulatory impact assessments, risk assessment and compliance and enforcement strategies;
- (b) consulting with each other, as appropriate, and exchanging information throughout the regulatory development process. This consultation and exchange should begin as early as possible in that process;
- (c) sharing non-public information to the extent that this information may be made available to foreign governments in accordance with the applicable rules of the Party providing the information;
- (d) sharing proposed technical or sanitary and phytosanitary regulations that may have an impact on trade with the other Party at the earliest stage possible so that comments and proposals for amendments may be taken into account;
- (e) providing, upon request by the other Party, a copy of the proposed regulation, subject to applicable privacy law, and allow sufficient time for interested parties to provide comments in writing;
- (f) exchanging information about contemplated regulatory actions, measures or amendments under consideration, at the earliest stage possible, in order to:
 - (i) understand the rationale behind a Party's regulatory choices, including the instrument choice, and examine the possibilities for greater convergence between the Parties on how to state the objectives of regulations and how to define their scope. The Parties should also address the interface between regulations, standards and conformity assessment in this context; and
 - (ii) compare methods and assumptions used to analyse regulatory proposals, including, when appropriate, an analysis of technical or economic practicability and the benefits in relation to the objective pursued of any major alternative regulatory requirements or approaches considered. This information exchange may also include compliance strategies and impact assessments, including a comparison of the potential cost-effectiveness of the regulatory proposal to that of major alternative regulatory requirements or approaches considered;
- (g) examining opportunities to minimise unnecessary divergences in regulations through means such as:
 - (i) conducting a concurrent or joint risk assessment and a regulatory impact assessment if practicable and mutually beneficial;
 - (ii) achieving a harmonised, equivalent or compatible solution; or
 - (iii) considering mutual recognition in specific cases;
- (h) cooperating on issues that concern the development, adoption, implementation and maintenance of international standards, guides and recommendations;
- (i) examining the appropriateness and possibility of collecting the same or similar data about the nature, extent and frequency of problems that may potentially give rise to regulatory action when it would expedite making statistically significant judgments about those problems;
- (j) periodically comparing data collection practices;

- (k) examining the appropriateness and the possibility of using the same or similar assumptions and methodologies that the other Party uses to analyse data and assess the underlying issues to be addressed through regulation in order to:
 - (i) reduce differences in identifying issues; and
 - (ii) promote similarity of results;
- (l) periodically comparing analytical assumptions and methodologies;
- (m) exchanging information on the administration, implementation and enforcement of regulations, as well as on the means to obtain and measure compliance;
- (n) conducting cooperative research agendas in order to:
 - (i) reduce duplicative research;
 - (ii) generate more information at less cost;
 - (iii) gather the best data;
 - (iv) establish, when appropriate, a common scientific basis;
 - (v) address the most pressing regulatory problems in a more consistent and performance-oriented manner; and
 - (vi) minimise unnecessary differences in new regulatory proposals while more effectively improving health, safety and environmental protection;
- (o) conducting post-implementation reviews of regulations or policies;
- (p) comparing methods and assumptions used in those post-implementation reviews;
- (q) when applicable, making available to each other summaries of the results of those post-implementation reviews;
- (r) identifying the appropriate approach to reduce adverse effects of existing regulatory differences on bilateral trade and investment in sectors identified by a Party, including, when appropriate, through greater convergence, mutual recognition, minimising the use of trade and investment distorting regulatory instruments, and the use of international standards, including standards and guides for conformity assessment; or
- (s) exchanging information, expertise and experience in the field of animal welfare in order to promote collaboration on animal welfare between the Parties.

Article 21.5

Compatibility of regulatory measures

With a view to enhancing convergence and compatibility between the regulatory measures of the Parties, each Party shall, when appropriate, consider the regulatory measures or initiatives of the other Party on the same or related topics. A Party is not prevented from adopting different regulatory measures or pursuing different initiatives for reasons including different institutional or legislative approaches, circumstances, values or priorities that are particular to that Party.

Article 21.6

The Regulatory Cooperation Forum

1. A Regulatory Cooperation Forum ("RCF") is established, pursuant to Article 26.2.1(h) (Specialised committees), to facilitate and promote regulatory cooperation between the Parties in accordance with this Chapter.
2. The RCF shall perform the following functions:
 - (a) provide a forum to discuss regulatory policy issues of mutual interest that the Parties have identified through, among others, consultations conducted in accordance with Article 21.8;
 - (b) assist individual regulators to identify potential partners for cooperation activities and provide them with appropriate tools for that purpose, such as model confidentiality agreements;

- (c) review regulatory initiatives, whether in progress or anticipated, that a Party considers may provide potential for cooperation. The reviews, which will be carried out in consultation with regulatory departments and agencies, should support the implementation of this Chapter; and
 - (d) encourage the development of bilateral cooperation activities in accordance with Article 21.4 and, on the basis of information obtained from regulatory departments and agencies, review the progress, achievements and best practices of regulatory cooperation initiatives in specific sectors.
3. The RCF shall be co-chaired by a senior representative of the Government of Canada at the level of a Deputy Minister, equivalent or designate, and a senior representative of the European Commission at the level of a Director General, equivalent or designate, and shall comprise relevant officials of each Party. The Parties may by mutual consent invite other interested parties to participate in the meetings of the RCF.
4. The RCF shall:
- (a) adopt its terms of reference, procedures and work-plan at its first meeting after the entry into force of this Agreement;
 - (b) meet within one year from the date of entry into force of this Agreement and at least annually thereafter, unless the Parties decide otherwise; and
 - (c) report to the CETA Joint Committee on the implementation of this Chapter, as appropriate.

Article 21.7

Further cooperation between the Parties

1. Pursuant to Article 21.6.2(c) and to enable monitoring of forthcoming regulatory projects and to identify opportunities for regulatory cooperation, the Parties shall periodically exchange information of ongoing or planned regulatory projects in their areas of responsibility. This information should include, if appropriate, new technical regulations and amendments to existing technical regulations that are likely to be proposed or adopted.
2. The Parties may facilitate regulatory cooperation through the exchange of officials pursuant to a specified arrangement.
3. The Parties endeavour to cooperate and to share information on a voluntary basis in the area of non-food product safety. This cooperation or exchange of information may in particular relate to:
- (a) scientific, technical, and regulatory matters, to help improve non-food product safety;
 - (b) emerging issues of significant health and safety relevance that fall within the scope of a Party's authority;
 - (c) standardisation related activities;
 - (d) market surveillance and enforcement activities;
 - (e) risk assessment methods and product testing; and
 - (f) coordinated product recalls or other similar actions.
4. The Parties may establish reciprocal exchange of information on the safety of consumer products and on preventive, restrictive and corrective measures taken. In particular, Canada may receive access to selected information from the European Union RAPEX alert system, or its successor, with respect to consumer products as referred to in Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety. The European Union may receive early warning information on restrictive measures and product recalls from Canada's consumer product incident reporting system, known as RADAR, or its successor, with respect to consumer products as defined in the *Canada Consumer Product Safety Act*, S.C. 2010, c. 21 and cosmetics as defined in the *Food and Drugs Act*, R.S.C. 1985, c. F-27. This reciprocal exchange of information shall be done on the basis of an arrangement setting out the measures referred to under paragraph 5.

5. Before the Parties conduct the first exchange of information provided for under paragraph 4, they shall ensure that the Committee on Trade in Goods endorse the measures to implement these exchanges. The Parties shall ensure that these measures specify the type of information to be exchanged, the modalities for the exchange and the application of confidentiality and personal data protection rules.
6. The Committee on Trade in Goods shall endorse the measures under paragraph 5 within one year from the date of entry into force of this Agreement unless the Parties decide to extend the date.
7. The Parties may modify the measures referred to in paragraph 5. The Committee on Trade in Goods shall endorse any modification to the measures.

Article 21.8

Consultations with private entities

In order to gain non-governmental perspectives on matters that relate to the implementation of this Chapter, each Party or the Parties may consult, as appropriate, with stakeholders and interested parties, including representatives from academia, think-tanks, non-governmental organisations, businesses, consumer and other organisations. These consultations may be conducted by any means the Party or Parties deem appropriate.

Article 21.9

Contact points

1. The contact points for communication between the Parties on matters arising under this Chapter are:
 - (a) in the case of Canada, the Technical Barriers and Regulations Division of the Department of Foreign Affairs, Trade and Development, or its successor; and
 - (b) in the case of the European Union, the International Affairs Unit of the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, European Commission, or its successor.
2. Each contact point is responsible for consulting and coordinating with its respective regulatory departments and agencies, as appropriate, on matters arising under this Chapter.

CHAPTER TWENTY-TWO

Trade and sustainable development

Article 22.1

Context and objectives

1. The Parties recall the Rio Declaration on Environment and Development of 1992, the Agenda 21 on Environment and Development of 1992, the Johannesburg Declaration on Sustainable Development of 2002 and the Plan of Implementation of the World Summit on Sustainable Development of 2002, the Ministerial Declaration of the United Nations Economic and Social Council on Creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all, and its impact on sustainable development of 2006, and the ILO Declaration on Social Justice for a Fair Globalisation of 2008. The Parties recognise that economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development, and reaffirm their commitment to promoting the development of international trade in such a way as to contribute to the objective of sustainable development, for the welfare of present and future generations.
2. The Parties underline the benefit of considering trade-related labour and environmental issues as part of a global approach to trade and sustainable development. Accordingly, the Parties agree that the rights and obligations under Chapters Twenty-Three (Trade and Labour) and Twenty-Four (Trade and Environment) are to be considered in the context of this Agreement.